

Mexico Beach Disaster Funding Update (7/25/23)

There are numerous programs that provide disaster funding and they have different goals.

The primary program through which the City has received funding so far is called the Public Assistance program.

The Public Assistance program is a program aimed at assisting local governments rebuild- it is not for private sector or individuals.

The Public Assistance program is *primarily* a reimbursement-based program. There are some exceptions, but generally this means you have to complete work and provide documentation of that work before FEMA/FDEM give you any money.

Typically, the Public Assistance program has a local match attached to it. Almost every grant program in existence today has a local match. This forces local governments to have some skin in the game.



11:19 a.m. ET, October 11, 2018

Mexico Beach "is gone" after taking Michael's direct hit

From CNN's Gregory Wallace





Source: Bay County Tourist Development Council

Obligated Funds vs Paid Funds

Obligated Funding essentially means that the money has been allocated or set aside by FEMA to be used by the City for a specific use. The City then has to provide documentation to show that it was used for what it was obligated for. The City does not receive a set amount of money that it can use however it wants. Also, 'Obligated' does not mean the City has received those funds into their bank account.

Paid Funding is money that has been actually made it to the City's bank account. This typically comes in the form of reimbursement after work is completed, but may sometimes have been paid through an advance early in the storm. Advanced funding must still be reconciled.



Source: Bay County Tourist Development Council

Hurricane leaves Florida's Mexico Beach in shreds



Firefighter Austin Schlarb performs a door to door search in the aftermath of Hurricane Michael in Mexico Beach, Fla., Thursday, Oct. 11, 2018. (AP Photo/Gerald Herbert)

Standard Projects vs 428 Projects

Standard Projects are based on Scope of Work and reimbursed based on actual costs (presuming all eligibility requirements are met such as proper procurement, etc). You must follow the Scope of Work exactly!

Example: 100 ft of sewer line damaged by storm. FEMA estimates this will cost \$1,000 to repair. When project is bid, it actually costs \$1,500 to repair. FEMA will pay \$1,500. But if it only costs \$800 to repair, FEMA will only pay \$800.

428 Projects are based on Cost, but there is some flexibility in Scope of Work within that project. 428 funds can also be shared across other 428 projects.

Example: Canal Parkway Bridge was a cost underrun. Part of those remaining funds are being used to cover the costs of the Sidewalks project, which were a cost overrun. **Both are 428 projects.**

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Source: Atkins North America

High Level Breakdown of Funds

Obligated Amount is around \$100M right now. So the City has an estimated \$100M set aside or allocated.

That number is subject to some fluctuation. Some of that amount is a hard number (428 projects), but for any given standard lane project, that number could fluctuate up and down. Normally this mostly evens out over the course of a disaster across all projects.

The City has been paid around \$92M so far. That is how much actual funding the City has received in its bank account so far. **Florida Division of Emergency Management has validated/audited this amount.**

\$8M delta from projects that are still underway:

- Projects that haven't been started: City hasn't expended funds, so there is no "loss" to the City, the projects just haven't happened yet, so FEMA/FDEM won't pay out a reimbursement.
- Projects in FDEM reconciliation: FDEM has to review all the backup documentation for projects before paying a reimbursement. This can take weeks/months to review and validate before FDEM is willing to make a payment.





Funding by Project Type

Emergency Work: Debris Pickup and Emergency Protective Actions (FEMA Category A and B)

This includes debris pickup and haul out, police/fire safety activities, building inspections, emergency berm construction, dredging etc

-FEMA Cat A Debris Pickup: Obligated Amount \$49M

-FEMA Cat A Dredging: \$19M

-FEMA Cat B Emergency Protective Actions: Obligated Amount \$7M

Total of roughly \$75M Obligated for Emergency Work



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Funding by Project Type

Permanent Work: Infrastructure (FEMA Category C-G + Z)

This includes roads, bridges, sidewalks, sewer, water, buildings, parks, marinas, piers, etc.

-Cat C Roads/Culverts/Stormwater: Obligated Amount \$8M

-Cat D Waterway Repairs: Obligated Amount \$0 (projects ended up in other categories)

-Cat E Buildings: \$1M

-Cat F Water/Sewer/Utility Systems: \$6M

-Cat G Parks/Recreational: \$6M

-Cat Z Grant Management: \$4M

Total of roughly \$25M Obligated for Permanent Work **SO FAR**



Source: Atkins North America

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Canal Parkway Bridge: Example of 406 Mitigation Implementation



Source: Atkins N



Source: AC Disaster Consulting

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Source: Google Earth



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Unobligated Projects

Estimated Obligation Amounts:

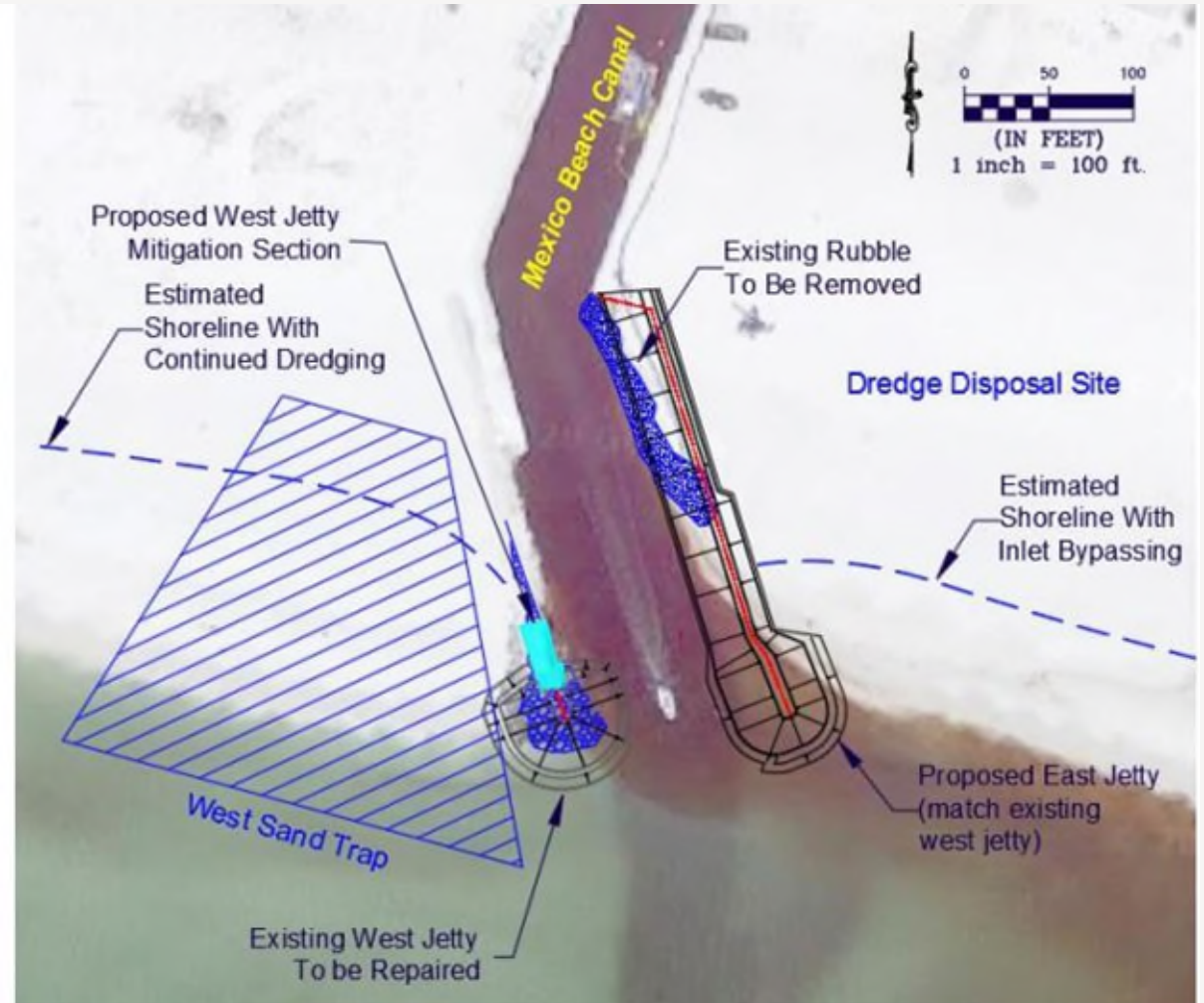
Jetties: \$2M

Police/Fire: \$3-5M

Pier: \$8-10M

Roughly another ~\$15M is estimated to be obligated through these 3 projects.

These are complex projects in terms of design because of potential impacts on areas of non-FEMA oversight. Other federal agencies also have to give approval on project design before it can be built.



MX-1 Primary Lift Station Knocked Out

Boat Ramp Destroyed

Canal Parkway Washed Out

Throughout City:
-Storm Debris
-Lift Stations Not Functioning
-Water/Sewer/Stormwater/
Power Lines Broken or
Destroyed
-Roads/Sidewalks Damaged

Water Treatment Plant
and Water Storage Tank
Destroyed

15th Street Bridge and
Culvert Blown Out

Marina Heavily Damaged
and Canal System Filled
with Debris

Jetties Washed Out
and Non-Functional

Pier Completely
Washed Away

-Dune System Flattened
and Washed Out Along
Entire Coastline
-All Dune Walkovers Lost

More than 15 feet of water
in Police and Fire Stations

A Map of the Destruction: Post-Storm, October 2018

Google Earth



MX-1 Repaired
and Elevated

Boat Ramp New Pavilion
and Parking Area

Canal Parkway
Repaired Into
Resilient Bridge

Marina Storm-Hardened
with Armor Flex Armoring

Jetties to be
Improved

Pier Will Be Re-Built

Throughout City:
-\$50M in Storm Debris
Removed
-Lift Stations and Wastewater
Restored and Stopper Lids on
All Manholes
-Roads/Sidewalks Repaired
and Extended

-Water Supply System
Restored

15th Street Bridge and
Culvert Replaced

-Berm Providing
Temporary Protection;
Dune System to Be Re-
Nourished with CDBG-DR
funds
-New Dune Walkovers
Installed

Police and Fire Stations to
be Integrated Into
Municipal Complex at
New, Safer Location

A Map of the Recovery: Where We Stand Today

Google Earth

How Does The City Actually Get The Funding?

- 1) **Obligation:** FEMA must first obligate a project. Absolutely no money can be paid to the City until a project has been scoped/costed and then obligated.
- 2) **Implementation:** Once obligated, the City can proceed with carrying out implementation of the project. It must be carried out exactly following the scope and cost that have been laid out. If the City wants to make any changes, it must be approved by FEMA through an amendment.
- 3) **Reimbursement:** When the project's implementation is complete, the City must provide documentation to FDEM to receive reimbursement funds for the work. This includes things like contractor invoices, cleared bank checks, design drawings, debris tickets, procurement documents etc. FDEM reviews/audits this documentation and, if they satisfactorily show that the work was completed within scope parameters, they will issue a payment.
- 4) **Closeout:** After all payments are made, FEMA now comes in and does the same thing as FDEM through a process called closeout. This is a completely new reviewer at the federal level and tends to be laborious and comprehensive to ensure the money that was obligated and paid has gone to the scope/cost that were approved by FEMA.

